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HOUSING AUTHORITY OF THE TOWN OF MAMOU, LOUISIANA

Report on Audit of Financial Statements And Supplementary Information

For the Year Ended June 30, 1997

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Release Date: FEB 25 1998

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of additional analysis and is not a required part of the basic financial statements of The Housing Authority of the Town of Haver. The accompanying schedule of expenditures of federal awards is presented for purpose of additional analysis as required by U.S. Office of Management and Budget Circular A-113, Audit of States, Local Governments and Non-Profit Organizations, and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Vallan Vige & Turgeon

Vallan, Vige & Turgeon
December 8, 1983

FINANCIAL SECTION

HOUSING AUTHORITY OF THE TOWN OF MANOJ
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1987

	<u>Governmental Fund Types</u>		
	<u>General</u>	<u>Special Revenues</u>	<u>Debt Service</u>
ASSETS AND OTHER DEBITS			
Assets:			
Cash and cash equivalents	\$ 43,806	\$ 2,418	\$ 380
Receivables (net of allow- ances for uncollectables)	3,609	-	75,885
Interfund receivable	3,382	-	-
Prepaid items	7,033	-	-
Land, buildings and equipment	-	-	-
Other Debits:			
Amount available in debt service funds	-	-	-
Amount to be provided for retirement of general long-term obligations	-	-	-
Total Assets	\$ 57,830	\$ 2,418	\$ 76,265

The accompanying notes are an integral part of this statement.

Capital Projects	Fiduciary Fund	Account Groups		TOTALS (Memorandum Only)
		General Fixed Assets	General Long-Term Obligations	
\$ -	\$ -	\$ -	\$ -	\$ 74,255
-	-	-	-	18,884
-	19,342	-	-	22,724
-	-	-	-	7,822
-	-	3,904,341	-	3,904,341
-	-	-	75,845	75,845
<u>-</u>	<u>-</u>	<u>-</u>	<u>348,788</u>	<u>588,708</u>
<u>\$ -</u>	<u>\$ 19,342</u>	<u>\$ 3,904,341</u>	<u>\$ 75,845</u>	<u>\$ 4,723,028</u>

HOUSING AUTHORITY OF THE TOWN OF MARSH
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 1987

	Governmental Fund Types		
	General	Special Revenue	Debt Service
LIABILITIES, EQUITY, AND OTHER CREDITS			
Liabilities:			
Accounts, salaries, and other payables	\$ 11,385	\$ -	\$ -
Interest payable	10,142	3,383	-
Deposits due others	-	-	-
Other liabilities	-	9,328	-
Matured bonds and interest payable	-	-	75,885
Compensated absences payable	-	-	-
Bonds & Notes payable	-	-	-
Total Liabilities	21,527	12,711	75,885
Equity and Other Credits:			
Contributed capital			
Investment in general fixed assets	-	-	-
Fund balances:			
Reserved	-	-	788
Unreserved	46,683	19,841	-
Total Equity and Other Credits	46,683	19,841	788
TOTAL LIABILITIES, EQUITY, AND OTHER CREDITS	\$ 21,230	\$ 2,862	\$ 76,673

The accompanying notes are an integral part of this statement.

Capital Projects	Fiduciary Fund	Account Groups		TOTALS (Memorandum Only)
	Agency Fund	General Fixed Assets	General Long-Term Obligations	
\$ -	\$ -	\$ -	\$ -	\$ 11,385
-	-	-	-	22,724
-	10,342	-	-	19,142
-	-	-	13,914	23,262
-	-	-	-	75,065
-	-	-	4,988	8,508
<u>-</u>	<u>-</u>	<u>-</u>	<u>608,131</u>	<u>608,131</u>
-	10,342	-	624,533	732,137
-	-	3,966,340	-	3,966,341
-	-	-	-	783
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>81,562</u>
-	-	3,966,342	-	4,048,692
<u>\$ -</u>	<u>\$ 10,342</u>	<u>\$ 3,966,342</u>	<u>\$ 624,533</u>	<u>\$ 4,771,072</u>

HOUSING AUTHORITY OF THE TOWN OF MARCO
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES
Year Ended June 30, 1997

	Supplemental Fund Types				TOTAL Governmental Fund
	General	Special	Debt	Capital	
REVENUES					
Local sources:					
Federal rental	2,150,750	-	-	-	2,150,750
Interest earnings	180	-	-	-	180
Other	3,090	-	-	-	3,090
Federal sources:					
Operating subsidy	108,424	58,403	-	-	166,827
Special construction contract	-	-	75,895	-	75,895
Grants	-	75,422	-	248,421	323,843
Total revenues	<u>2,262,444</u>	<u>133,825</u>	<u>75,895</u>	<u>248,421</u>	<u>2,720,585</u>
EXPENDITURES					
Current:					
Administration	83,008	8,743	-	-	91,751
Utilities	76,888	-	-	-	76,888
Ordinary maintenance	84,385	-	-	-	84,385
Printing	-	48,743	-	-	48,743
General expenditures	56,587	-	-	-	56,587
Facilities acquisition and construction	-	-	-	293,898	293,898
Debt service:					
Principal retirement	-	-	44,258	-	44,258
Interest and bond charges	3,741	-	39,833	-	43,574
Total expenditures	<u>224,222</u>	<u>57,486</u>	<u>84,091</u>	<u>293,898</u>	<u>660,697</u>
OTHER REVENUES OR REVENUES FROM EXPENDITURES					
Other financing sources (uses)					
Transfers in	7,381	-	-	-	7,381
Transfers out	-	-	-	(17,381)	(17,381)
Total other financing sources (uses)	<u>7,381</u>	<u>-</u>	<u>-</u>	<u>(17,381)</u>	<u>-</u>
OTHER REVENUES OR REVENUES FROM OTHER SOURCES AND OTHER USES					
Other	18,222	2,353	1,908	-	22,483
FUND BALANCE, BEGINNING	<u>28,371</u>	<u>(18,808)</u>	<u>1,668</u>	<u>-</u>	<u>11,231</u>
FUND BALANCE, ENDING	<u>2,252,444</u>	<u>115,642</u>	<u>2,258</u>	<u>2,258</u>	<u>2,472,602</u>

The accompanying notes are an integral part of this statements.

ISSUING AUTHORITY OF THE TOWN OF MARIETTA
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET (GAAP BASIS) AND ACTUAL - GENERAL
AND SPECIAL REVENUE FUNDS
For the Year Ended June 30, 1967

	GENERAL FUND			SPECIAL REVENUE FUNDS		
	BUDGET	ACTUAL	Variances Favorable (Disadvantage)	BUDGET	ACTUAL	Variances Favorable (Disadvantage)
REVENUES						
Local sources:						
Municipal services:						
Building rental	\$ 250,280	\$ 250,170	\$ 11,110	\$ -	\$ -	\$ -
Interest earnings	1,218	208	(1,010)	-	-	-
Other	1,248	3,848	2,600	58,465	58,465	-
Federal Sources:						
Operating subsidy	138,424	138,424	-	-	-	-
Annual contributions	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Grants	-	-	-	-	-	-
State government	<u>297,434</u>	<u>298,430</u>	<u>(1,004)</u>	<u>58,465</u>	<u>58,465</u>	<u>-</u>
EXPENDITURES						
Current:						
Administration	66,370	66,610	240	6,040	6,741	700
Utilities	78,200	78,200	-	-	-	-
Ordinary maintenance	58,056	68,988	10,932	-	-	-
Debt service	-	-	-	52,416	62,765	10,349
General expenditures	62,308	68,887	6,579	-	-	-
Facilities acquisition & construction	-	-	-	-	-	-
Debt service:						
Principal retirement	-	-	-	-	-	-
Interest and bank charges	-	2,782	(2,782)	-	-	-
Total expenditures	<u>263,874</u>	<u>285,387</u>	<u>21,513</u>	<u>58,456</u>	<u>69,506</u>	<u>11,050</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES						
	13,437	18,653	(5,216)	-	9,959	2,940
OTHER FINANCING SOURCES						
Transfers in	-	7,581	7,581	-	-	-
EXCESS (deficiency) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES						
	13,437	26,234	12,797	-	9,959	2,940
FUND BALANCE, BEGINNING						
	27,825	28,711	(8,886)	-	18,800	(11,000)
FUND BALANCE, ENDING						
	<u>24,392</u>	<u>54,945</u>	<u>30,553</u>	<u>58,456</u>	<u>28,759</u>	<u>2,940</u>

The accompanying notes are an integral part of this statement.

BOOKING AUTHORITY OF THE TOWN OF RAND
COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET (GAS BASIS) AND ACTUAL -
DEBT SERVICE, AND CAPITAL PROJECT FUNDS
Year Ended June 30, 2007

	<u>DEBT SERVICE FUND</u>			<u>CAPITAL PROJECT FUND</u>		
	BUDGET	ACTUAL	Variance Favorable (Unfavorable)	BUDGET	ACTUAL	Variance Favorable (Unfavorable)
REVENUES						
Local sources:						
polling paper	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
interest earnings	-	-	-	-	-	-
fines	-	-	-	-	-	-
Regional sources:						
Operating subsidy	-	-	-	-	-	-
Annual Contributions	-	-	-	-	-	-
Contract	75,000	75,000	-	-	-	-
GRAND	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>210,000</u>	<u>200,000</u>	<u>10,000</u>
Total revenues	<u>75,000</u>	<u>75,000</u>	<u>-</u>	<u>210,000</u>	<u>200,000</u>	<u>10,000</u>
EXPENDITURES						
Current:						
Administration	-	-	-	-	-	-
Utilities	-	-	-	-	-	-
Ordinary maintenance	-	-	-	-	-	-
Resolving Requests	-	-	-	-	-	-
Special expenditures	-	-	-	-	-	-
Facilities Acquisition & construction	-	-	-	200,000	200,000	0,000
Debt services:						
Principal payments	40,700	40,700	(0,000)	-	-	-
Interest and bank charges	11,000	11,000	0,000	-	-	-
Total expenditures	<u>51,700</u>	<u>51,700</u>	<u>(0,000)</u>	<u>210,000</u>	<u>200,000</u>	<u>10,000</u>
Other financial sources						
Transfer Out	-	-	-	-	(7,000)	(7,000)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES						
	-	(700)	(700)	-	-	-
FUND BALANCE, BEGINNING	-	2,400	2,400	-	-	-
FUND BALANCE, ENDING	<u>2,400</u>	<u>1,700</u>	<u>700</u>	<u>2,400</u>	<u>1,700</u>	<u>700</u>

The accompanying notes are an integral part of these statements.

NOTES TO
GENERAL PURPOSE
FINANCIAL STATEMENTS

HOUSING AUTHORITY OF THE TOWN OF MONROE
NOTICE TO FINANCIAL STATEMENTS
As of and for the year ended June 30, 1997

INTRODUCTION

The Housing Authority of the Town of Monroe was created by Louisiana Revised Statute (LSA-R.S.) 40:293 to engage in the acquisition, development, and administration of a low rent housing program to provide safe, sanitary, and affordable housing to the citizens of Monroe, Louisiana.

The authority is administered by a five-member board appointed by the Mayor. Members of the board serve three-year terms.

Under the United States Housing Act of 1937, as amended, the U.S. Department of Housing and Urban Development (HUD) has direct responsibility for administering low rent housing programs in the United States. Accordingly, HUD has entered into an annual contribution contract with the authority for the purpose of assisting the authority in financing the acquisition, construction, and leasing of housing units and to make annual contributions (subsidies) to the authority for the purpose of maintaining this low rent character.

The authority participates in The Section 8 housing assistance payment program. The existing and moderate rehabilitation programs provide assistance to low-income persons seeking housing by subsidizing rents between tenants and owners of existing public housing. Under this program, the authority enters into Housing Assistance Payment contracts with landlords.

At June 30, 1997, the authority managed 128 public housing units and provides assistance to 28 Section 8 Housing Units.

In addition, the authority is currently administering a modernization program.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying financial statements of the authority have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

NOTES TO FINANCIAL STATEMENTS (continued)

Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Because the authority is legally separate and fiscally independent, the authority is a separate governmental reporting entity.

The authority is a related organization of the Town of Mamou, Louisiana since the mayor appoints a voting majority of the authority's governing board. The Town of Mamou, Louisiana is not financially accountable for the authority as it cannot impose its will on the authority and there is no potential for the authority to provide financial benefit to, or impose financial burdens on, the Town of Mamou, Louisiana. Accordingly, the authority is not a component unit of the financial reporting entity of the Town of Mamou, Louisiana.

The authority includes all funds, account groups, activities, et cetera, that are within the oversight responsibility of the authority.

Certain units of local government over which the authority exercises an oversight responsibility, such as the parish police jury, school board, and municipalities within the parish, are excluded from the accompanying financial statements. These units of government are considered separate reporting entities and issue financial statements separate from those of the authority. In addition, the accompanying financial statements do not include various tenant associations which are legally separate entities.

Fund Accounting

The authority uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable financial resources.

Funds of the authority are classified into two categories: governmental and fiduciary. Each category, in turn, is divided into separate fund types. The fund classifications and a description of each existing fund type follow:

NOTES TO FINANCIAL STATEMENTS (continued)

Governmental Funds

Governmental funds account for all or most of the authority's general activities, including the collection and disbursement of specific or legally restricted monies for the acquisition or construction of general fixed assets, and the servicing of general long-term obligations. Governmental funds include:

1. General Fund--the general operating fund of the authority accounts for all financial resources, except those required to be accounted for in other funds. The General Fund includes transactions of the low rent housing assistance programs.
2. Special revenue funds--account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. Special revenue funds contain transactions of the various Section 8 housing assistance programs administered by the authority.
3. Debt service funds--account for transactions relating to resources retained and used for the payment of principal and interest on those long-term obligations recorded in the general long-term obligations account group. Debt service funds contain current year payments of principal and interest on project notes and bonds payable.
4. Capital projects funds--account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds. Capital projects funds contain transactions relating to active modernization and development programs.

Fiduciary Funds

Fiduciary funds account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the authority. The Tenant Security Deposits Agency Fund consists of the tenant security deposit accounts.

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The modified accrual basis of accounting is used by

NOTES TO FINANCIAL STATEMENTS (continued)

all governmental funds and agency funds. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Operating subsidies and the annual contributions received from HUD are recorded when available and measurable. Federal restricted grants are recorded when reimbursable expenditures have been incurred.

Rental income and other income are recorded in the month earned.

Interest earnings are recorded when time deposits mature and interest is credited to the authority's deposits.

Expenditures

Expenditures are recorded when the related fund liability is incurred. This includes expenditures for salaries and capital outlay in the general fund.

Expenditures for principal and interest on long-term obligations are recognized when due. The authority's liability for compensated absences is accounted for in the general long-term obligation account group and is recorded annually. At June 30, 1987, the liability for accumulated compensated absences was \$4,500.

Other Financing Sources (Uses)

Transfers between funds that are not expected to be repaid are accounted for as other financing sources (uses). These other financing sources (uses) are recognized at the time the underlying events occur.

Budgets

The authority uses the following budget practices:

1. The Executive Director prepares a proposed budget and submits same to the Board Commissioners no later than thirty days prior to the beginning of each fiscal year.
2. Following discussion and acceptance of the budget by the Board, it is sent to HUD for approval.
3. Upon approval by HUD, the budget is formally adopted.
4. Any budgetary amendments require the approval of the Executive Director and Board of Commissioners.

NOTE TO FINANCIAL STATEMENTS (continued)

5. Any budgetary appropriations lapse at the end of each fiscal year.

6. Budgets for the General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

7. The budget comparison presented in the financial statements includes the original budget and all amendments.

Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts and certificates of deposit purchased with original maturities of 90 days or less. Under state law, the authority may deposit funds in demand deposits, interest-bearing demand deposits, money market accounts, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

Under state law, the authority may invest in United States bonds, treasury notes, or certificates. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

Short-Term Interfund Receivables/Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet. Short-term interfund loans are classified as interfund receivables/payables.

Prepaid Items

Payments made to insurance companies for coverage that will benefit the period beyond June 30, 1997 are recorded as prepaid insurance.

Fixed Assets

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. Public domain or infrastructures are not capitalized. No construction period interest costs have been incurred and capitalized for the fiscal year ended June 30, 1997. No depreciation has been provided on general fixed assets. All fixed assets are valued at historical cost.

NOTES TO FINANCIAL STATEMENTS (continued)

Compensated Absences

The authority follows Civil Service guidelines pertaining to the accumulation of vacation and sick leave. This leave may be accumulated and carried over between fiscal years, with a maximum of 300 hours of payment of vacation pay upon termination or retirement.

The cost of current leave privileges, computed in accordance with GASB Codification Section 100, is recognized as a current-year expenditure in the governmental funds when leave is actually taken. The cost of leave privileges not requiring current resources is recorded in the general long-term obligations account group.

Long-Term Obligations

Long-term obligations expected to be financed from governmental funds are reported in the general long-term obligations account group. Expenditures for principal and interest payments for long-term obligations are recognized in the governmental funds when due.

Fund Equity

Reserves

Reserves represent those portions of fund equity not appropriable for expenditures or legally segregated for a specific future use.

Designated Fund Balances

Designated fund balances represent tentative plans for future use of financial resources.

Interfund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

NOTES TO FINANCIAL STATEMENTS (continued)

TOTAL COLUMNS OF Combined Statements

The total columns on the combined statements are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2 - FUND DEFICITS

The Section 8 Special Revenue Fund had a fund balance deficit at June 30, 1997 in the amount of \$3,943.

NOTE 3 - CASH AND CASH EQUIVALENTS

At June 30, 1997, the authority has cash and cash equivalents totaling as follows:

Demand deposits	\$ 84,183
Time deposits	<u>20,122</u>
Total	<u>\$ 104,305</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by Federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the Federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At June 30, 1997, the authority has \$74,122 in deposits. These deposits are secured from risk by \$104,305 of Federal deposit insurance.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 4 - RECEIVABLES

The receivables of \$78,094 at June 30, 1997, are as follows:

Class of Receivable	General Fund	Capital Projects	Debt Service Fund	Total
Local sources:				
Taxes	\$ 238	\$ -	\$ -	\$ 238
Federal sources:				
Fed	2,771	-	-	2,771
Accruing annual contr.	-	-	25,093	25,093
Total	<u>\$ 3,009</u>	<u>\$ -</u>	<u>\$ 25,093</u>	<u>\$ 28,093</u>

NOTE 5 - FIXED ASSETS

The changes in general fixed assets are as follows:

	Balance June 30, 1996	Additions	Deletions	Balance June 30, 1997
Land	\$ 193,732	\$ -	\$ -	\$ 193,732
Buildings	3,098,109	-	-	3,098,109
Equipment	59,336	-	-	59,336
Modernization				
Costs-CIAP	208,862	283,093	-	491,955
TOTAL	<u>\$ 21,159,349</u>	<u>\$ 283,093</u>	<u>\$ -</u>	<u>\$ 21,442,442</u>

NOTE 6 - RETIREMENT SYSTEMS

The authority participates in the Housing-Massmut and local Agency Retirement Plan which is a defined contribution plan. The plan consists of employees of various local and regional housing authorities, urban renewal agencies, and other similar organizations. Through the plan, the Authority provides pension benefits for all full-time employees. All eligible individuals must be employed for at least three months before participating in the plan. The authority had four employees participating as of June 30, 1997.

Under a defined contribution plan, benefits depend solely on amounts contributed to the plan and investment earnings. Benefits of the plan are funded by employee and employer contributions. Participants in the plan are required to make a monthly contribution of five percent of their basic compensation. The authority makes a monthly contribution equal to eight percent of each participant's basic compensation.

NOTES TO FINANCIAL STATEMENTS (continued)

The employer contributions and earnings allocated to each participant's account are fully vested after one year of continuous service.

The authority's total payroll for the fiscal year ended June 30, 1997, was \$94,326. The authority's contributions were made based on the total covered payroll. The authority and the covered employees made the required contributions for the year ended June 30, 1997. The employee contributions totaled \$3,698 while the authority's contributions totaled \$6,675 for the year ended June 30, 1997.

NOTE 7 - ACCOUNTS, SALARIES, AND OTHERS PAYABLE

The payables of \$11,385 at June 30, 1997, are as follows:

GENERAL FUND	Amount
Salaries	\$ 3,372
Accounts	<u>8,013</u>
Total	<u>\$ 11,385</u>

NOTE 8 - CHANGES IN AGENCY FUND/DEPOSITS DUE OTHERS

A summary of changes in agency fund deposits due others follows:

	Balance at beginning of Year	Additions	Deletions	Balance at End of Year
Agency fund: Tenant security deposits	\$ 13,082	\$ 8,628	\$ 7,418	\$ 14,292

NOTE 9 - CHANGES IN GENERAL LONG-TERM OBLIGATIONS

The following is a summary of the long-term obligation transactions for the year ended June 30, 1997:

	Issued	Compensated Absences/Other	Total
Long-term obligations at June 30, 1996	\$450,357	\$ 40,270	\$490,627
additions	-	-	-
deductions	<u>(14,254)</u>	<u>(21,628)</u>	<u>(35,882)</u>
Long-term obligations at June 30, 1997	<u>\$436,103</u>	<u>\$ 18,642</u>	<u>\$454,745</u>

NOTES TO FINANCIAL STATEMENTS (continued)

All authority bonds outstanding at June 30, 1997, in the amount of \$698,134, are single issue bonds with maturities from 1997 to 2004 and interest rates from 3.375% to 6.0%. Bond principal and interest payable in the next fiscal year are \$44,376 and \$30,800, respectively. The individual issues are as follows:

Bond Issues	Original Issue	Interest Rates	Final Payment Due	Interest to Maturity	Principal Outstanding June 30, 1997
Federal					
Firearmory	\$173,467	6.00%	11/3/97	\$ 1,000	\$ 15,464
Single Issues	240,000	3.375%	5/3/00	13,314	83,686
Single Issues	750,000	5.125%	6/3/14	272,002	502,681
Total bonds				<u>\$686,316</u>	<u>\$698,134</u>

All principal and interest requirements are funded in accordance with Federal Law by the annual contributions contract from 1990. At June 30, 1997, the authority has accumulated \$788 in the debt service funds for future debt requirements. The bonds are due as follows for the next five years:

Fiscal Year Ending 6/30	Principal Payments	Interest Payments	Total
1998	\$ 44,376	\$ 30,800	\$ 75,176
1999	29,730	27,887	57,617
2000	31,588	26,773	58,361
2001	32,334	25,388	57,722
2002	34,688	23,286	57,974
	<u>\$173,326</u>	<u>\$134,334</u>	<u>\$307,660</u>

NOTE 10 - INTERFUND ASSETS/LIABILITIES

Interfund receivable/payable:

Receivable Fund	Payable Fund	Amount
Fiduciary Fund	General Fund	\$13,342
General Fund	Special Revenue	\$ 3,382

NOTE 11 - LITIGATION AND CLAIMS

At June 30, 1997, the Authority was not involved in any lawsuits or aware of any claims against it.

NOTE 12 - FEDERAL COMPLIANCE CONTINGENCIES

No questions of disallowed costs were noted for inclusion in our report.

NOTES TO FINANCIAL STATEMENTS (continued)

NOTE 13 - COMPENSATED ABSENCES

At June 30, 1987, employees of the authority have accumulated and vested \$1,500 of employee leave benefits, which was computed in accordance with GASB Codification Section 008. This amount is not expected to be paid from current available resources; therefore, the liability of \$4,500 is recorded in the general long-term obligations account group.

NOTE 14 - OTHER LIABILITIES

In August, 1986 the former Director was terminated. The Housing Authority agreed to pay his severance pay and annual leave and buy the remaining portion of his contract in the amount of \$31,481 and \$42,000 plus interest, respectively. The severance and annual pay were paid in fiscal year ended June 30, 1986. The remaining portion of his contract will be paid in three installments (including interest):

2/15/86	\$15,750
10/1/86	\$15,750
10/1/87	\$15,750

The October 1986 payment in the amount of \$15,750 was made and is included in General Expenses. The remaining amount of \$31,500 is not expected to be paid from current available resources and is therefore recorded in the General long-term obligations account group.

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Board of Commissioners
Housing Authority of Mamou
Mamou, Louisiana

Independent Auditor's Report on Federal Financial Assistance

We have audited the general purpose financial statements of the Housing Authority of the Town of Mamou, Louisiana, for the year ended June 30, 1997, and have issued our report thereon dated December 5, 1997. These general purpose financial statements are the responsibility of the Housing Authority of the Town of Mamou, Louisiana's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States and the Consolidated Audit Guide for Audits of HUD Programs issued by the U. S. Department of Housing and Urban Development, Office of the Inspector General. These standards and the guide require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with Government Auditing Standards, we have also issued our report dated December 5, 1997 on our consideration of the Housing Authority of the Town of Mamou's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of The Housing Authority of the Town of Mamou taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget circular A-113, Audit of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general purpose financial statements taken as a whole.

Valilon, Wig & Tojague

Valilon, Wig and Tojague
December 5, 1997

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
For the Year Ended June 30, 1997

Federal Grantor/ Program Title	CFDA No.	Grant ID No.	GRANT Amount Received	Program Expenditures
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs:				
Low Income HAP	14-890	7W-2013	\$213,500	\$213,500
CLAP	14-892	7W-2013	280,477	280,477
Section 8 HAP	14-146	7W-2061	58,655	58,480
TOTAL U.S. DEPT. OF HOUSING AND URBAN DEVELOP- MENT			<u>552,632</u>	<u>552,457</u>
TOTAL FEDERAL ASSISTANCE			<u>552,632</u>	<u>552,457</u>

1. The Department of Housing and Urban Development has guaranteed through the Annual Contribution Contract the Housing Authority of the Town of Monroe, Louisiana, bonded indebtedness and P.F.D. notes. This bonded indebtedness and notes payable were \$488,131 at June 30, 1997.

REVENUE AUTHORITY OF THE TOWN OF MONROE
 Monroe, Louisiana

BALANCE SHEET
 JUNE 30, 1987

Annual Contributions Contract

ASSETS	FY-2011	FY-2061
Cash	\$ 43,702	\$ 9,649
Accounts receivable	328	-
Accounts receivable-Sect. 8	3,382	-
Accounts receivable-EMD	2,771	-
Debt amortization fund	35,865	-
Investments	10,182	-
Deferred charges	7,000	-
Land, structures and equipment	2,866,361	-
Total Assets	<u>\$3,119,511</u>	<u>\$ 9,649</u>
LIABILITIES AND SURPLUS		
Tenant Security Deposits	\$ 19,342	\$ -
Accounts payable	9,792	3,182
Accrued liabilities	1,482	9,328
Fixed liabilities	608,331	-
Total Liabilities	<u>\$ 638,947</u>	<u>\$ 12,510</u>
Surplus	2,480,564	(2,861)
Total Liabilities and surplus	<u>\$3,119,511</u>	<u>\$ 9,649</u>

HOUSING AUTHORITY OF THE TOWN OF NATCHO
Natcho, Louisiana

STATEMENT OF REVENUE AND EXPENDITURES - PMA OWNED HOUSING
Year Ended June 30, 1997

Annual Contributions Contract PA-2613

Operating Income

Dwelling rental	\$ 150,770
Interest on general fund investments	300
Other income	1,250
Total operating income	152,320

Operating Expenditures

Administration	88,833
Utilities	76,880
Ordinary maintenance and operation	64,980
General expense	70,250
Total operating expenditures	300,943

Net operating loss (148,623)

Other charges

Interest on bonds and notes	35,284
Total Other Charges	35,284

NET LOSS \$ (113,339)

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

STATEMENT OF REVENUE AND EXPENDITURES - HOUSING ASSISTANCE
PARTICIPATION PROGRAM
Year Ended June 30, 1987

Annual Contributions CONTRACT #M-2281

Operating Expenditures

Administrative expenses	\$ 5,741
Housing assistance payments	<u>49,165</u>
Total operating expenditures	<u>54,906</u>
NET OPERATING LOSS	\$ (53,506)

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

STATEMENT OF SURPLUS
Year ended June 30, 1987

	Annual Contributions Contract	
	FM-2013	FM-2083
UNRESERVED SURPLUS		
Balance per audit at June 30, 1986	\$ (3,143,574)	\$ (437,734)
Net zero, June 30, 1987	(158,333)	-
FHA Owned Housing		
Housing Assistance Payments Program	-	155,500
Provision for Reduction of Reserves for year ended June 30, 1987:	(11,433)	-
FHA Owned Housing Housing Assistance Payments Program: Operating Reserve	-	12,320
Balance at June 30, 1987	<u>\$ 12,334,333</u>	<u>\$ 440,066</u>
RESERVED SURPLUS - OPERATING RESERVE		
Balance per audit at June 30, 1986	\$ 47,733	\$ 94,388
Provision for (reduction of) operating reserves for year ended June 30, 1987:	-	-
FHA Owned Housing	11,433	-
Housing Assistance Payments Program	-	2,525
Balance at June 30, 1987	<u>\$ 59,166</u>	<u>\$ 96,913</u>
CUMULATIVE HUD CONTRIBUTIONS		
Balance per audit at June 30, 1986	\$ 6,264,066	\$ 342,388
Annual Contributions, year ended June 30, 1987:		
FHA Owned Housing	75,465	-
Housing Assistance Payments Program	-	58,465
Housing Assistance Payments Refund Prior Period Adjustment	-	(6,334)
Operating subsidy, June 30, 1987	138,434	-
Cumulative HUD Grants - GIAP - June 30, 1987	344,677	-
Balance at June 30, 1987	<u>\$ 6,722,582</u>	<u>\$ 394,519</u>
TOTAL SURPLUS	<u>\$ 19,056,915</u>	<u>\$ 834,585</u>

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

COMPUTATION OF RESIDUAL RECEIPTS AND ACCRUING ANNUAL
CONTRIBUTIONS - FHA GUARANTEED HOUSING
Year Ended June 30, 1957

Annual Contributions Contract FH-2023

Computation of Residual Receipts

Operating Receipts

Operating income	\$ 154,018
HU operating subsidy	_____138,428
Total operating receipts	_____292,446

Operating Expenditures

Interest - Operating	3,787
Operating expenditures	_____288,068
Total operating expenditures	_____291,855

Residual receipts (deficit) per audit 18,649

Audit adjustments added back _____2,168

Residual receipts (deficit) before
provision for reserves 16,481

Reduction of operating reserve _____(11,811)

Residual receipts \$ _____ -

Computation of Accruing Annual Contribution

Fixed Annual Contribution \$ _____75,880

Accruing annual Contribution \$ _____75,880

HOUSING AUTHORITY OF THE TOWN OF MANOU
 Manou, Louisiana

COMPUTATION OF ANNUAL CONTRIBUTIONS EARNED AND
 PROJECT ACCOUNT - OPERATING RESERVE CHANGES
 HOUSING ASSISTANCE PAYMENTS PROGRAM
 Year ended June 30, 1967

Annual Contributions Control FM-2281

Maximum Contribution Available

Maximum annual contribution authorized	\$ 74,216
Maximum contribution for period	58,431
Project account balance at beginning of fiscal year	98,188
Total annual contribution available	156,615

Annual Contribution Required

Administration expenses	5,741
Housing assistance payments	42,165
Total funds required	53,906
Total annual contribution required	99,113

Project Account Change

Provision for project account	98,113
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Annual Contribution Earned 58,431

Operating Reserve Change

Annual contribution earned	58,431
Total operating receipts earned	58,431

Operating Expenditures

Operating Expenditures (Page 5) 18,925

Net operating receipts available (per audit) 2,925

Provision for operating reserves \$ 2,925

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

STATEMENT OF MODERNIZATION COSTS - UNCOMPLETED
AT JUNE 30, 1997

Annual Contributions Contract 88-1013

1995 PHASE 1A 48-PC0138888

Funds approved	\$ 278,000
Funds advanced and due	\$ 43,150
Funds expended	43,150
Excess of funds advanced over funds expended	\$ -0-

1995 PHASE 1A 48PC0138888

Funds Approved	\$ 325,000
Funds Advanced and Due	\$ 25,210
Funds Expended	25,210
Excess of funds advanced over funds expended	\$ -0-

HOUSING ACTIVITIES OF THE TOWN OF HANCOU
HANCOU, Louisiana

STATEMENT AND CERTIFICATION OF ACTUAL MODERNIZATION COSTS
AS June 30, 1997

1993 HOUSE LA 46 F031993

FUNDS APPROVED	\$288,913
FUNDS EXPENDED	..594,513
EXCESS OF FUNDS APPROVED	_____
FUNDS ADVANCED	\$288,913
FUNDS EXPENDED	..386,213
EXCESS OF FUNDS ADVANCED	_____

1) The distribution of costs by project as shown on the Final Statement of Modernization Cost submitted to HUD for approval is in agreement with the PHA's records.

2) All modernization costs have been paid and all related liabilities have been discharged through payment.

HOUSING AUTHORITY OF THE TOWN OF MONROE
 Monroe, Louisiana

ANALYSIS OF GENERAL FUND CASH BALANCE
 AT JUNE 30, 1987

	<u>Annual Contributions Contract</u>	
	<u>FM-2012</u>	<u>FM-2264</u>
Composition Before Adjustments		
Net operating receipts retained:		
operating reserve	\$ 59,184	\$ (3,041)
Trust security deposits	19,342	-
Audit adjustments affecting		
general fund cash	(11,183)	-
	77,343	(3,041)
 Adjustments		
Expenses/Costs not paid:		
accounts payable	9,792	1,162
accrued liabilities	1,492	-
Due to HUD	-	9,328
 Income not received:		
Accounts receivable	(19,281)	-
 General fund cash available		
	(10,268)	(1,600)
 Other Applications of General Fund Cash		
Prior year adjustments not affecting		
Residual Receipts	(11,388)	-
Deferred charges	(7,833)	-
Investments	(20,262)	-
	(39,483)	-
GENERAL FUND CASH	\$ 43,254	\$ 8,669

HOUSING AUTHORITY OF THE TOWN OF MONROE
 Monroe, Louisiana

Schedule of Adjusting Journal Entries
 June 30, 1997

	Debit	Credit	Acct. No. For PMA Books
1) Cash in Bank	1811.78		1001-1
Accounts Receivable - Other		1810.78	1100
Accounts Receivable - Tenants		601.00	1100
To Reverse Checks Listed as Outstanding and Record Deposits in Transit			
2) Cash - Investments	100.00		1100
Interest Income		100.00	2010
To Adjust Investments to Actual			
3) Accounts Receivable Tenants	150.00		1100
Deadling Rental		150.00	2010
To Adjust Accounts Receivable to actual			
4) Account Receivable - Other		2,608.30	1100
Due From HUD- Rent B	2,110.00		2110
Employee Benefits	1,004.01		2010
Deadling Rental	1,004.29		2010
Cumulative HUD Contributions		3,771.60	2040
To Adjust Accounts Receivable Other to Actual			
5) Prepaid Insurance	433.00		1011
Insurance Expense		433.00	2010
To Adjust Prepaid Insurance to Actual			
6) Land, Structures, and Equipment		2,071.94	1000-4
Materials		600.00	2010
Unreserved Surplus	2,474.25		2010
Sundry	450.00		2010
To Reverse Misposted Entries			

HOUSING AUTHORITY OF THE TOWN OF MONROE
Monroe, Louisiana

Schedule of Adjusting Journal Entries
June 30, 1997

	Debit	Credit	Acct. No. For PBA Books
7) Cash - Debt Service		302.83	3171
Notes Payable - Permanent	1,744.03		3118
Bonds Payable	283.02		3132
Interest		1,325.32	3810
To Adjust Accounts to Actual			
8) Land, Structures and Equipment	70,788.80		1402.4
Unreserved Surplus	6,755.33		3819
Unreserved Surplus - Sect 2	75.80		3819
Accounts Payable		77,619.93	3118
To Record Prior Years Audit Entry			
9) Accounts Payable	77,619.93	8,928.02	3118
Land, Structures and Equipment		70,788.80	1402.4
Accounting - Sect 1	75.80	75.80	3819
Accounting	275.80	275.00	3819
Utilities	4,285.32	4,497.00	3819
Sundry	294.80	294.00	3819
Materials	1,110.80	948.40	3819
Contract Costs	483.00	448.84	3819
To Reverse Prior Years Accounts Payable and Record Current Years Account Payable			
10) Salaries	1,823.30		3810
Labor	1,454.00		3810
Accounts Payable		3,272.33	3118
Employee Benefits	248.96		3810
Payroll Taxes Payable		240.98	3117
To Accrue Salaries and Adjust Payroll Taxes Payable to Actual			
11) Cumulative RRS contributions	4,725.00		3840
Due to RRS - Sect - 2		4,725.00	3118
To Adjust Due to Had-Sect 2 to Actual			

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

The Board of Commissioners
Housing Authority of Monro
Monro, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Monro as of and for the year ended June 30, 1997, and have issued our report thereon dated December 3, 1997. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Housing Authority of the Town of Monro's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulation, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that are required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings and Questioned Costs.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the Town of Monro's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that

misstatements in accounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting that we have described in the accompanying Schedule of Findings and Questioned Costs.

This report is intended for the information of management and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

Vallin, Vige & Tojague

Vallin, Vige & Tojague
December 8, 1997

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MONROE, LA. C.P.A.

MEMPHIS
NEW ORLEANS
L.A.
SAN ANTONIO

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR
PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH OMB CIRCULAR A-133

Board of Commissioners
Housing Authority of Monro
Monroe, Louisiana

We have audited the compliance of the Housing Authority of the Town of Monro with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 1997. The Housing Authority of the Town of Monro's major federal programs are identified in the accompanying schedule of federal financial assistance. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the Housing Authority of the Town of Monro's management. Our responsibility is to express an opinion on the Housing Authority of the Town of Monro's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, OMB Circular A-133, Audit of States, Local Governments, and Non-Profit Organizations, and the Consolidated Audit Guide for Audits of HUD Programs (The "Guide") issued by the U.S. Department for Housing and Urban Development, Office of Inspector General. These standards, OMB Circular A-133 and the Guide require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the Town of Monro's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on Housing Authority of the Town of Monro's compliance with those requirements.

In our opinion, the Housing Authority of the Town of Monro complied, in all material respects, with the requirements referred

to above that are applicable to each of its major federal programs for the year ended June 30, 1967.

Internal Control Over Compliance

The management of the Housing Authority of the Town of Hones is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of the Town of Hones's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-113 and The Guide.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of, management and Federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.

William Vige & Tuzajew

William Vige & Tuzajew
December 5, 1967

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MEMBER FIRM OF C.P.A.
CHARTERED ACCOUNTANT, C.P.A.

MEMBER
FIRM
CHARTERED ACCOUNTANT

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO MAJOR HUD PROGRAM TRANSACTIONS

Board of Commissioners
Housing Authority of Monro
Monro, Louisiana

We have audited the financial statements of the Housing Authority of the Town of Monro, Louisiana as of and for the year ended June 30, 1987, and have issued our report thereon dated December 5, 1987.

In connection with our audit of the 1987 financial statements of the Housing Authority of the Town of Monro, Louisiana and with our consideration of Housing Authority of the Town of Monro, Louisiana internal control structure used to administer HUD programs, as required by the Consolidated Audit Guide for Audits of HUD Programs (the "Guide") issued by the U.S. Department of Housing and Urban Development. We selected certain transactions applicable to certain major HUD-assisted programs for the year ended June 30, 1987.

As required by the Guide, we performed auditing procedures to test compliance with the requirements governing types of services allowed or unallowed; eligibility; and any special provisions that are applicable to these transactions. Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on Monro Housing Authority's compliance with these requirements. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported herein under the Guide.

This report is intended for the information of the Board of Commissioners, management, and the Department of Housing and Urban Development. However, this report is a matter of public record and its distribution is not limited.

William V. Tejague
Wilson, Vine and Tejague
December 5, 1987

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH SPECIFIC
REQUIREMENTS APPLICABLE TO AFFIRMATIVE FAIR HOUSING
AND NONDISCRIMINATION

Board of Commissioners
Housing Authority of Monro
Monro, Louisiana

We have audited the financial statements of Housing Authority of
Monro, Monro, Louisiana as of and for the year ended June 30, 1997,
and have issued our report thereon dated December 3, 1997.

We have applied procedures to test Monro Housing Authority's
compliance with the Affirmative Fair Housing and Nondiscrimination
requirements applicable to its HUD-assisted programs, for the year
ended June 30, 1997.

Our procedures were limited to the applicable compliance
requirements described in the Consolidated Audit Guide for Audits of
HUD Programs issued by the U.S. Department of Housing and Urban
Development, Office of Inspector General. Our procedures were
substantially less in scope than an audit, the objective of which
would be the expression of an opinion on the Monro Housing
Authority's compliance with the Affirmative Fair Housing and
Nondiscrimination requirements. Accordingly, we do not express
such an opinion.

The results of our tests disclosed no instances of noncompliance
that are required to be reported herein under The Guide.

This report is intended for the information of the Board of
Commissioners, management and the Department of Housing and Urban
Development. However, this report is a matter of public record and
its distribution is not limited.

Veilloom, Vigi & Tajagus

Veilloom, Vigi and Tajagus
December 3, 1997

HOUSING AUTHORITY OF THE TOWN OF MONROE
MONROE, Louisiana

STATUS OF PRIOR AUDIT FINDINGS

Bylas audit findings cleared.

HOUSING AUTHORITY OF THE TOWN OF MANOU
Manou, Louisiana

FINDINGS, RECOMMENDATIONS, AND REPLIES

- (1) FINDINGS: The Housing Authority is required to amend its budget if revenue collections and expenditures are not within 5% of budgeted revenues and expenditures. The Housing Authority exceeded their budget in several categories by greater than 5%.
- Recommendation: We recommend that The Authority monitor its budget periodically and amend the budget as needed. Such amendments should provide a more accurate projection of estimated revenues and expenditures, and better control over spending.
- Reply: The Authority will monitor its budget and amendments will be prepared in conformity with legal requirements.
- (2) FINDINGS: Due to the small number of employees, The Town did not have an adequate segregation of functions within the accounting system.
- Recommendation: Based upon the size of the operation and the cost-benefit of additional personnel, it may not be feasible to achieve complete segregation of duties.
- Response: No response is considered necessary.

HOUSING AUTHORITY OF THE TOWN OF MONROE
MONROE, Louisiana

ACTIVITIES OF THE PBA

The PBA administers 120 units of owned low-income housing.

The PBA administers 20 units of housing assistance payment vouchers.

The PBA is also administering a modernization project.